



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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LOS ANGELES, CALIFORNIA 90012
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November 13, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**AN ORDINANCE TO AMEND THE ELECTRICAL FRANCHISE
GRANTED TO SOUTHERN CALIFORNIA EDISON COMPANY
BY ORDINANCE NO. 7062, AS AMENDED
(ALL AFFECTED) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve an ordinance to amend the electrical franchise granted to Southern California Edison Company, a California corporation (Edison), by Ordinance No. 7062, as amended, to extend the term of the franchise through December 31, 2008.
2. Introduce, waive reading, and place on your Board's agenda for adoption the accompanying ordinance that implements the above recommendation, becoming effective January 1, 2008.
3. Find that this project is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to extend the term of the Edison franchise to provide additional time to complete an audit of the annual fees paid for calendar years 2001 through 2005, to implement revisions to the County franchise codes, and to negotiate the terms and conditions of a new long-term franchise with Edison.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Implementation of Strategic Plan Goal

The County Strategic Plan directs that we provide the public with quality service that is beneficial and responsive (Goal 1). The Board's approval and adoption of an ordinance to extend the term of the Edison franchise is consistent with this goal.

FISCAL IMPACT/FINANCING

Edison has paid the County a one-time granting fee of \$5,000 to process an ordinance to extend the term of the franchise. Edison will continue to pay an annual fee of two percent of the gross annual receipts arising from the use, operation or possession of the franchise. Edison paid the County total fees of \$3,525,860 for the 2006 calendar year.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On November 27, 1956, your Board adopted Ordinance No. 7062, granting a 50-year County-wide electrical franchise to Edison, which expired December 27, 2006. By Ordinance No. 2006-0079F, your Board extended the term of the Edison franchise through December 31, 2007. Upon your Board's adoption of the accompanying ordinance, the term of the Edison franchise will be extended through December 31, 2008.

The Audit Division of the Auditor-Controller performed a limited review of the financial statements of Edison. Based upon the results of the review, this office recommends extending the term of the franchise. The Department of Public Works and the Fire Department have reviewed the request and have no objections. County Counsel has reviewed the accompanying ordinance to extend the franchise and approved it as to form.

ENVIRONMENTAL DOCUMENTATION

This project is categorically exempt under the CEQA pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The recommended Board actions will not impact or adversely affect any current services or future projects.

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CONCLUSION

Instruct the Executive Officer, Board of Supervisors, to send conformed copies of the approved Board recommendation and the adopted ordinance to Southern California Edison Company, 2244 Walnut Grove Ave., Room 372, Rosemead, CA 91770, Attention: Donna McCort, Director of Public Affairs, and the offices of County Counsel, Auditor-Controller, Department of Public Works, Fire Department, and Chief Executive Office, Real Estate Division, Property Management Section, 222 South Hill Street, 3rd Floor, Los Angeles, CA 90012.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. T. Fujioka', with a stylized flourish at the end.

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:DL
JSE:RB:dd

c: County Counsel
Auditor-Controller
Department of Public Works
Fire Department

SCE.bl

ANALYSIS

This ordinance extends through December 31, 2008, the term of an electrical distribution franchise granted to Southern California Edison Company, a corporation, by Ordinance No. 7062, as amended.

RAYMOND G. FORTNER, JR.
County Counsel

By 

GRACE V. CHANG
Senior Deputy County Counsel
Property Division

GVC:guh

10/1/07 (requested)

10/9/07 (revised)

ORDINANCE NO. _____

An ordinance to extend through December 31, 2008, the term of the electrical distribution franchise granted to Southern California Edison Company, a corporation, by Ordinance No. 7062, as amended.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 1 of Ordinance No. 7062, as amended, is hereby amended to read as follows:

Section 1. Franchise Term, Grant.

The right, privilege, and franchise is hereby granted to the Southern California Edison Company, a corporation organized and existing under and by virtue of the laws of the State of California, its successors and assigns, through December 31, 20078, to erect, construct, operate, alter, maintain, and use an electric distribution and transmission system consisting of poles, towers, crossarms, conduits, manholes, vaults, cables, wires, transformers, switches, and other equipment, appliances, and appurtenances, including communication circuits, for the purpose of conducting, transmitting, and distributing electricity and electrical energy for light, heat, and power purposes, and for any and all other purposes for which electricity can be used, on, along, upon, over, in, under, and across the highways within the County of Los Angeles, State of California, together with the right to erect, construct, operate, alter, maintain, and use a private communication system, consisting of poles, towers, conductors, crossarms, conduits, cables, wires, and other equipment, appliances, and appurtenances, including communication circuits; said private communication system

to be used solely in connection with the operation and maintenance of grantee's electric system. The privileges granted by this franchise apply only to territory within the County which, upon the effective date of this ordinance, is unincorporated.

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